



AMERICANS for TAX REFORM

January 6, 2011

Wisconsin Senate
Wisconsin House

Dear Legislator,

I enthusiastically urge you to support Gov. Scott Walker's proposed legislation imposing a supermajority requirement for certain tax increases. The governor correctly reaffirmed his commitment this week to oppose all tax increases through the duration of his time in office. This specific bill will erode the temptation for this and future legislators to propose and vote for increases in the income, sales and franchise taxes, a necessary prerequisite for spending reform.

The supermajority requirement reduces the upward pressure on tax rates brought about by Wisconsin's balanced budget requirement. And it is no secret that previous administrations have capitalized on that pressure to raise revenue at the expense of the state's taxpayers and job creators. Gov. Doyle reflexively turned to tax hikes to maintain Madison's culture of overspending, to the tune of billions of dollars. By signing the Taxpayer Protection Pledge and now proposing a supermajority requirement for tax increases, Gov. Walker has signaled a definitive end to the status quo.

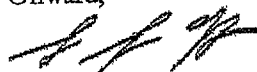
To be sure, this legislation should be expanded to include all tax increases, including distortionary targeted excise taxes, property taxes, and the like. But it is a fantastic start. And a legislature of any makeup serving with this governor knows to refrain from even introducing a net tax increase of any kind, as Gov. Walker has pronounced such proposals dead on arrival.

ATR recently released a study highlighting the differences between states gaining and losing Congressional seats as a result of the 2010 Census. The top income tax rate in states gaining seats was less than one-half of that in losing states. Gainers' per capita spending was roughly one-third lower than losers. When government largesse is restrained and tax rates low, jobs are created and population attracted. The first step in achieving this for Wisconsin is to pump the brakes on any additional tax increases, and then work toward principled spending cuts and tax relief. Gov. Walker's supermajority requirement is the important first step in a greater process.

Until you take the threat of higher taxes completely off the table, lasting spending restraint is unattainable. This is why we at ATR are so pleased to have Gov. Walker and 21 Wisconsin legislators join a cast of 14 governors and nearly 1,300 state legislators nationwide in signing the Taxpayer Protection Pledge. This bill is yet another win for taxpayers in the Badger State.

I urge you to support this legislation, and to join your colleagues that have signed the Taxpayer Protection Pledge. For more information on the Pledge or on the broader issue of supermajority requirements, please contact ATR Wisconsin state affairs manager Joshua Culling at jculling@atr.org.

Onward,



Grover Norquist

CC: The Honorable Scott Walker

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